

SEC Proposes New Limits on Registered Funds' Derivatives Use

December 29, 2015 | Client Update

On December 11, 2015, the U.S. Securities and Exchange Commission proposed Rule 18f-4, which would impose new exposure limits, asset segregation requirements, and compliance obligations on registered investment companies and business development companies ("registered funds") that enter into derivatives transactions or financial commitment transactions. The proposal also would amend previously proposed regulatory reporting forms, Forms N-PORT and N-CEN, to require additional reporting by registered funds about their derivatives activities and financial commitment transactions.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Nora M. Jordan

+1 212 450 4684
nora.jordan@davispolk.com

Gregory S. Rowland

+1 212 450 4930
gregory.rowland@davispolk.com

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